

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3057-01  
BILL NO.: HB 1091  
SUBJECT: Employees and Employers  
TYPE: Original  
DATE: January 7, 2002

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
State Fair Fee Fund	\$0	\$0 to (\$84,465)	\$0 to (\$86,576)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0 to (\$84,465)</b>	<b>\$0 to (\$86,576)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Labor and Industrial Relations** and the **Department of Economic Development** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Agriculture** (AGR) assume this proposed legislation would affect the operation of the Missouri State Fair. They noted that the proposal would increase operation costs and require reductions in the number of persons hired. The AGR noted that they generate a large percentage of their own operating revenue; therefore, they indicated the proposal would require reductions in the number of persons hired or an increase in admission prices to cover the increased operation costs.

AGR noted that the 2001 Fair employment records were reviewed to determine the number of hours worked and the assumption was made that in future years the same number of employees would be hired and would work the same number of hours. The AGR estimates the increase in cost to the State Fair Fee Fund in reference to this proposal to be \$84,465 in FY 2004 and \$86,576 in FY 2005. This amount includes overtime pay and fringe benefits.

The cost for FY 2003 is reflected as \$0 because the proposal would become effective August 28, 2002, and the last day of the State Fair is August 18, 2002. AGR stated that wrap-up work would be completed before the effective date of the proposal.

**Oversight** assumes that the AGR may use a combination of aspects including increasing admission fees and reducing staff to cover a portion of or all of the increased costs. Therefore, Oversight has reflected a range for FY 2004 and FY 2005 costs.

	FY 2003	FY 2004	FY 2005
<u>FISCAL IMPACT - State Government</u>	(10 Mo.)		

### **STATE FAIR FEE FUND**

#### Cost - Department of Agriculture

Overtime Costs	<u>\$0</u>	<u>\$0 to (\$84,465)</u>	<u>\$0 to (\$86,576)</u>
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	FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>FISCAL IMPACT - Local Government</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Certain amusement and recreation businesses could be fiscally impacted by this proposed legislation.

DESCRIPTION

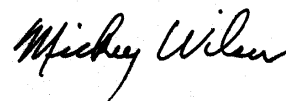
The proposal would require employees of certain amusement or recreation businesses to be paid overtime for hours worked in excess of 40 hours per week. Current law requires overtime pay for hours worked in excess of 52 hours per week.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture  
Department of Labor and Industrial Relations  
Department of Economic Development

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Acting Director

January 7, 2002